

FISCAL NOTE

SB 388 - HB 989

March 4, 2005

SUMMARY OF BILL: Revives the Tennessee State Racing Commission.

ESTIMATED FISCAL IMPACT:

Increase State Revenues – Exceeds \$300,000 Year 1/Dedicated Funds
Exceeds \$400,000 Year 2 & thereafter/Dedicated Funds

Increase State Expenditures – Exceeds \$100,000 Year 1 & thereafter

Increase Local Govt. Revenues – Less than \$100,000 Year 1
Exceeds \$100,000 Year 2 & thereafter

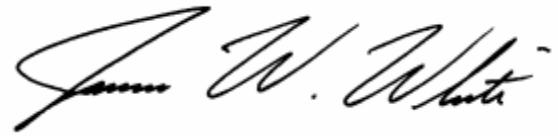
Increase Local Govt. Expenditures – Not Significant

Assumptions:

- A municipality will approve racing by referendum in the 1st year of the effective date of this bill and a racing facility will be built and become operational in the second year.
- The racing facility will operate for 180 days, 34 of which will be live racing days.
- Revenues collected from racing facility application fees and daily track licensing fees will be deposited into the General Fund.
- Revenues collected from the daily handle will be allocated to local government and to the Racing Development Fund.
- Revenues from the breakage and unclaimed tickets will be allocated to certain zoos owned, operated or leased by a municipal or county government and to the Racing Development Fund.
- State and local government revenues will also be generated through franchise and excise taxes and sales taxes.
- An increase in state expenditures from the appointment of an executive secretary and other staff to administer the provisions of this bill.
- Travel and per diem expenses for members of the Commission.
- Three racing judges and one veterinarian will be hired under contract for each live racing day.
- The provisions of this bill provide that racing facility application fees and daily track licensing fees shall be paid into the General Fund. Currently, TCA 4-36-105(a) provides for such fees to go to the Racing Development Fund.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, reading "James W. White". The signature is written in a cursive style with a large, stylized "J" and "W".

James W. White, Executive Director